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## NOTICE OF ALLOWANCE AND FEE(S) DUE

25315 7590 02/11/2008

BLACK LOWE & GRAHAM, PLLC  
701 FIFTH AVENUE  
SUITE 4800  
SEATTLE, WA 98104

EXAMINER

AGWUMEZIE, CHARLES C

ART UNIT

PAPER NUMBER

3621

DATE MAILED: 02/11/2008

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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10/068,106 02/05/2002

Michael Carlson

PANG-1-1002

5747

TITLE OF INVENTION: ELECTRONIC VERIFICATION SYSTEM AND METHOD

APPLN. TYPE	SMALL ENTITY	ISSUE FEE DUE	PUBLICATION FEE DUE	PREV. PAID ISSUE FEE	TOTAL FEE(S) DUE	DATE DUE
nonprovisional	YES	\$720	\$300	\$0	\$1020	05/12/2008

THE APPLICATION IDENTIFIED ABOVE HAS BEEN EXAMINED AND IS ALLOWED FOR ISSUANCE AS A PATENT. **PROSECUTION ON THE MERITS IS CLOSED.** THIS NOTICE OF ALLOWANCE IS NOT A GRANT OF PATENT RIGHTS. THIS APPLICATION IS SUBJECT TO WITHDRAWAL FROM ISSUE AT THE INITIATIVE OF THE OFFICE OR UPON PETITION BY THE APPLICANT. SEE 37 CFR 1.313 AND MPEP 1308.

THE ISSUE FEE AND PUBLICATION FEE (IF REQUIRED) MUST BE PAID WITHIN **THREE MONTHS** FROM THE MAILING DATE OF THIS NOTICE OR THIS APPLICATION SHALL BE REGARDED AS ABANDONED. **THIS STATUTORY PERIOD CANNOT BE EXTENDED.** SEE 35 U.S.C. 151. THE ISSUE FEE DUE INDICATED ABOVE DOES NOT REFLECT A CREDIT FOR ANY PREVIOUSLY PAID ISSUE FEE IN THIS APPLICATION. IF AN ISSUE FEE HAS PREVIOUSLY BEEN PAID IN THIS APPLICATION (AS SHOWN ABOVE), THE RETURN OF PART B OF THIS FORM WILL BE CONSIDERED A REQUEST TO REAPPLY THE PREVIOUSLY PAID ISSUE FEE TOWARD THE ISSUE FEE NOW DUE.

## HOW TO REPLY TO THIS NOTICE:

I. Review the SMALL ENTITY status shown above.

If the SMALL ENTITY is shown as YES, verify your current SMALL ENTITY status:

A. If the status is the same, pay the TOTAL FEE(S) DUE shown above.

B. If the status above is to be removed, check box 5b on Part B - Fee(s) Transmittal and pay the PUBLICATION FEE (if required) and twice the amount of the ISSUE FEE shown above, or

If the SMALL ENTITY is shown as NO:

A. Pay TOTAL FEE(S) DUE shown above, or

B. If applicant claimed SMALL ENTITY status before, or is now claiming SMALL ENTITY status, check box 5a on Part B - Fee(s) Transmittal and pay the PUBLICATION FEE (if required) and 1/2 the ISSUE FEE shown above.

II. PART B - FEE(S) TRANSMITTAL, or its equivalent, must be completed and returned to the United States Patent and Trademark Office (USPTO) with your ISSUE FEE and PUBLICATION FEE (if required). If you are charging the fee(s) to your deposit account, section "4b" of Part B - Fee(s) Transmittal should be completed and an extra copy of the form should be submitted. If an equivalent of Part B is filed, a request to reapply a previously paid issue fee must be clearly made, and delays in processing may occur due to the difficulty in recognizing the paper as an equivalent of Part B.

III. All communications regarding this application must give the application number. Please direct all communications prior to issuance to Mail Stop ISSUE FEE unless advised to the contrary.

**IMPORTANT REMINDER:** Utility patents issuing on applications filed on or after Dec. 12, 1980 may require payment of maintenance fees. It is patentee's responsibility to ensure timely payment of maintenance fees when due.

# **PART B - FEE(S) TRANSMITTAL**

**Complete and send this form, together with applicable fee(s), to:** Mail **Mail Stop ISSUE FEE**  
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**P.O. Box 1450**  
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**INSTRUCTIONS:** This form should be used for transmitting the ISSUE FEE and PUBLICATION FEE (if required). Blocks 1 through 5 should be completed where appropriate. All further correspondence including the Patent, advance orders and notification of maintenance fees will be mailed to the current correspondence address as indicated unless corrected below or directed otherwise in Block 1, by (a) specifying a new correspondence address; and/or (b) indicating a separate "FEE ADDRESS" for maintenance fee notifications.

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Note: A certificate of mailing can only be used for domestic mailings of the Fee(s) Transmittal. This certificate cannot be used for any other accompanying papers. Each additional paper, such as an assignment or formal drawing, must have its own certificate of mailing or transmission.

25315 7590 02/11/2008  
**BLACK LOWE & GRAHAM, PLLC**  
**701 FIFTH AVENUE**  
**SUITE 4800**  
**SEATTLE, WA 98104**

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I hereby certify that this Fee(s) Transmittal is being deposited with the United States Postal Service with sufficient postage for first class mail in an envelope addressed to the Mail Stop ISSUE FEE address above, or being facsimile transmitted to the USPTO (571) 273-2885, on the date indicated below.

(Depositor's name)
(Signature)
(Date)

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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nonprovisional	YES	\$720	\$300	\$0	\$1020	05/12/2008

EXAMINER	ART UNIT	CLASS-SUBCLASS
AGWUMEZIE, CHARLES C	3621	705-039000

1. Change of correspondence address or indication of "Fee Address" (37 CFR 1.363).

- ☐ Change of correspondence address (or Change of Correspondence Address form PTO/SB/122) attached.  
☐ "Fee Address" indication (or "Fee Address" Indication form PTO/SB/47; Rev 03-02 or more recent) attached. Use of a **Customer Number is required.**

2. For printing on the patent front page, list

- (1) the names of up to 3 registered patent attorneys or agents OR, alternatively, 1  
 (2) the name of a single firm (having as a member a registered attorney or agent) and the names of up to 2 registered patent attorneys or agents. If no name is listed, no name will be printed. 2  
 3

3. ASSIGNEE NAME AND RESIDENCE DATA TO BE PRINTED ON THE PATENT (print or type)

PLEASE NOTE: Unless an assignee is identified below, no assignee data will appear on the patent. If an assignee is identified below, the document has been filed for recordation as set forth in 37 CFR 3.11. Completion of this form is NOT a substitute for filing an assignment.

(A) NAME OF ASSIGNEE

(B) RESIDENCE: (CITY AND STATE OR COUNTRY)

Please check the appropriate assignee category or categories (will not be printed on the patent): ☐ Individual ☐ Corporation or other private group entity ☐ Government

4a. The following fee(s) are submitted:

- ☐ Issue Fee  
☐ Publication Fee (No small entity discount permitted)  
☐ Advance Order - # of Copies \_\_\_\_\_

4b. Payment of Fee(s): (Please first reapply any previously paid issue fee shown above)

- ☐ A check is enclosed.  
☐ Payment by credit card. Form PTO-2038 is attached.  
☐ The Director is hereby authorized to charge the required fee(s), any deficiency, or credit any overpayment, to Deposit Account Number \_\_\_\_\_ (enclose an extra copy of this form).

5. Change in Entity Status (from status indicated above)

- ☐ a. Applicant claims SMALL ENTITY status. See 37 CFR 1.27. ☐ b. Applicant is no longer claiming SMALL ENTITY status. See 37 CFR 1.27(g)(2).

NOTE: The Issue Fee and Publication Fee (if required) will not be accepted from anyone other than the applicant; a registered attorney or agent; or the assignee or other party in interest as shown by the records of the United States Patent and Trademark Office.

Authorized Signature \_\_\_\_\_

Date \_\_\_\_\_

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This collection of information is required by 37 CFR 1.311. The information is required to obtain or retain a benefit by the public which is to file (and by the USPTO to process) an application. Confidentiality is governed by 35 U.S.C. 122 and 37 CFR 1.14. This collection is estimated to take 12 minutes to complete, including gathering, preparing, and submitting the completed application form to the USPTO. Time will vary depending upon the individual case. Any comments on the amount of time you require to complete this form and/or suggestions for reducing this burden, should be sent to the Chief Information Officer, U.S. Patent and Trademark Office, U.S. Department of Commerce, P.O. Box 1450, Alexandria, Virginia 22313-1450. DO NOT SEND FEES OR COMPLETED FORMS TO THIS ADDRESS. SEND TO: Commissioner for Patents, P.O. Box 1450, Alexandria, Virginia 22313-1450.

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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/068,106	02/05/2002	Michael Carlson	PANG-I-1002	5747
25315	7590	02/11/2008	EXAMINER	
BLACK LOWE & GRAHAM, PLLC 701 FIFTH AVENUE SUITE 4800 SEATTLE, WA 98104			AGWUMEZIE, CHARLES C	
			ART UNIT	PAPER NUMBER
			3621	
DATE MAILED: 02/11/2008				

## Determination of Patent Term Adjustment under 35 U.S.C. 154 (b) (application filed on or after May 29, 2000)

The Patent Term Adjustment to date is 403 day(s). If the issue fee is paid on the date that is three months after the mailing date of this notice and the patent issues on the Tuesday before the date that is 28 weeks (six and a half months) after the mailing date of this notice, the Patent Term Adjustment will be 403 day(s).

If a Continued Prosecution Application (CPA) was filed in the above-identified application, the filing date that determines Patent Term Adjustment is the filing date of the most recent CPA.

Applicant will be able to obtain more detailed information by accessing the Patent Application Information Retrieval (PAIR) WEB site (<http://pair.uspto.gov>).

Any questions regarding the Patent Term Extension or Adjustment determination should be directed to the Office of Patent Legal Administration at (571)-272-7702. Questions relating to issue and publication fee payments should be directed to the Customer Service Center of the Office of Patent Publication at 1-(888)-786-0101 or (571)-272-4200.

**Notice of Allowability****Application No.**

10/068,106

**Applicant(s)**

CARLSON, MICHAEL

**Examiner**

CHARLES C. AGWUMEZIE

**Art Unit**

3621

**-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address--**

All claims being allowable, PROSECUTION ON THE MERITS IS (OR REMAINS) CLOSED in this application. If not included herewith (or previously mailed), a Notice of Allowance (PTOL-85) or other appropriate communication will be mailed in due course. **THIS NOTICE OF ALLOWABILITY IS NOT A GRANT OF PATENT RIGHTS.** This application is subject to withdrawal from issue at the initiative of the Office or upon petition by the applicant. See 37 CFR 1.313 and MPEP 1308.

1. ☒ This communication is responsive to communication filed on 10/31/07.
2. ☒ The allowed claim(s) is/are 1-21.
3. ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).  
a) ☐ All b) ☐ Some\* c) ☐ None of the:  
1. ☐ Certified copies of the priority documents have been received.  
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.  
3. ☐ Copies of the certified copies of the priority documents have been received in this national stage application from the International Bureau (PCT Rule 17.2(a)).

\* Certified copies not received: \_\_\_\_\_.

Applicant has THREE MONTHS FROM THE "MAILING DATE" of this communication to file a reply complying with the requirements noted below. Failure to timely comply will result in ABANDONMENT of this application.  
**THIS THREE-MONTH PERIOD IS NOT EXTENDABLE.**

4. ☐ A SUBSTITUTE OATH OR DECLARATION must be submitted. Note the attached EXAMINER'S AMENDMENT or NOTICE OF INFORMAL PATENT APPLICATION (PTO-152) which gives reason(s) why the oath or declaration is deficient.
5. ☐ CORRECTED DRAWINGS (as "replacement sheets") must be submitted.  
(a) ☐ including changes required by the Notice of Draftsperson's Patent Drawing Review (PTO-948) attached  
1) ☐ hereto or 2) ☐ to Paper No./Mail Date \_\_\_\_\_.  
(b) ☐ including changes required by the attached Examiner's Amendment / Comment or in the Office action of Paper No./Mail Date \_\_\_\_\_.  
**Identifying indicia such as the application number (see 37 CFR 1.84(c)) should be written on the drawings in the front (not the back) of each sheet. Replacement sheet(s) should be labeled as such in the header according to 37 CFR 1.121(d).**
6. ☐ DEPOSIT OF and/or INFORMATION about the deposit of BIOLOGICAL MATERIAL must be submitted. Note the attached Examiner's comment regarding REQUIREMENT FOR THE DEPOSIT OF BIOLOGICAL MATERIAL.

**Attachment(s)**

1. ☒ Notice of References Cited (PTO-892)
2. ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3. ☐ Information Disclosure Statements (PTO/SB/08),  
Paper No./Mail Date \_\_\_\_\_
4. ☐ Examiner's Comment Regarding Requirement for Deposit of Biological Material
5. ☐ Notice of Informal Patent Application
6. ☐ Interview Summary (PTO-413),  
Paper No./Mail Date \_\_\_\_\_
7. ☒ Examiner's Amendment/Comment
8. ☒ Examiner's Statement of Reasons for Allowance
9. ☐ Other \_\_\_\_\_.

### **DETAILED ACTION**

#### ***Continued Examination Under 37 C.F.R. §1.114***

1. A request for continued examination ("RCE") under 37 C.F.R. §1.114, including the fee set forth in 37 C.F.R. §1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 C.F.R. §1.114, and the fee set forth in 37 C.F.R. §1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 C.F.R. §1.114. Applicant's submission filed on October 31, 2007 has been entered.

### **EXAMINER'S AMENDMENT**

2. An examiner's amendment to the record appears below. Should the changes and/or additions be unacceptable to applicant, an amendment may be filed as provided by 37 C.F.R. §1.312. To ensure consideration of such an amendment, it **MUST** be submitted no later than the payment of the issue fee.

Authorization for this examiner's amendment was given in a telephone interview with Christopher T.L. Douglas on January 30, 2008.

### **Acknowledgments**

3. Applicant's amendment filed on October 31, 2007 is acknowledged. Accordingly claims 1-21, remain pending and are allowed subject to the examiner's amendment.

4. The Application has been amended as follows:

12. (Currently amended) A computer based verification system comprising:  
an administrator system in communication over a network with at least one of the buyer or seller system that transmits multiple sets of unique account data to a buyer system and a seller system prior to each transaction the buyer system for storing a buyer account number and unique account data; and the seller system in communication with the buyer system for storing a seller account number and unique account data;

wherein at least one of the buyer or seller system comprises:

a first component ~~that determines for determining~~ a transaction amount;  
a second component ~~that determines for determining~~ a transaction time;  
a third component ~~that generates for generating~~ a first set of sample data from the data stored on the buyer system based on the determined transaction time and the account numbers associated with the account data previously stored on the buyer and seller systems;

a fourth component ~~that generates for generating~~ a second set of sample data from the data previously stored on the seller system based on the determined transaction time and the account numbers associated with the account data previously stored on the buyer and seller systems;

a fifth component ~~that creates for creating~~ a matrix unique to a single transaction based on a first set of sample data from the buyer and a second set of sample data from the seller;

a sixth component that selects ~~for selecting~~ two digits from a combination of the buyers account number and the sellers account number based on a random number generated from the transaction time such that the first digit is stored as the x value and the second digit as the y value; a sixth component that scrambles ~~for scrambling~~ the matrix based on the stored x and y values;

a seventh component that selects ~~for selecting~~ at least one row of data from the buyer and the seller; and

an eighth component that sends ~~for sending~~ both the buyers and the sellers row to an administrator when the buyers row matches the sellers row;

wherein the administrator system comprises:

a first component that retrieves ~~for retrieving~~ at an administrators system created multiple sets of unique account data sent to the user, the sent sellers row of data, and the sent buyers row of data;

a second component that unscrambles ~~for unscrambling~~ the sent data based on the random number used to scramble the matrix;

a third component that compares ~~for comparing~~ the created multiple sets of unique data with the unscrambled data retrieved from the buyer and the seller; and

a fourth component that completes ~~for completing~~ the transaction when the comparison is positive.

21. (Currently Amended) A computer-based verification method comprising:

creating multiple sets of unique account data on an administrator system and  
delivering to a buyer and a seller prior to each transaction;

verifying a transaction requested by a buyer and a seller further comprising:

creating a matrix unique to a single transaction based on a predefined  
matrix orientation for the buyer and the seller;

selecting two digits from a combination of the buyers account number and  
the sellers account number based on a random number generated  
from the transaction time such that the first digit is stored as the x  
value and the second digit as the y value;

scrambling the matrix based on the stored x and y values;

selecting at least one row of data from the buyer and the seller; and

sending both the buyers and the sellers row to an administrator when the  
buyers row matches the sellers row;

retrieving at an administrators system created multiple sets of unique account  
data sent to the user, the sent sellers row of data, and the sent buyers row  
of data.

unscrambling the sent data based on the random number used to scramble  
the matrix;

comparing the created multiple sets of unique data with the unscrambled data  
retrieved from the buyer and the seller; and

completing the transaction when the comparison is positive; and -

ending the transaction when the comparison is negative.



5. Claims 1-21, are allowed.

### ***Reasons for Allowance***

6. The following is an examiner's statement of reasons for allowance:

The closest prior art of record is Benton U.S. Patent No. 4,926,325.

7. Regarding the claimed terms, the Examiner notes that a "general term must be understood in the context in which the inventor presents it." *In re Glaug* F.3d 1335, 1340, 62 USPQ2d 1151, 1154 (Fed. Cir. 2002). Therefore the Examiner must interpret the claimed terms as found on pages 1-8 of the specification. Clearly almost all the general terms in the claims may have multiple meanings. So where a claim term "is susceptible to various meanings, ... the inventor's lexicography must prevail...." *Id.* Using these definitions for the claims, the claimed invention was not reasonably found in the prior art.

8. The primary reference Benton (U.S. Patent No. 4,926,325) teaches that a financial transaction between buyers and sellers are carried out using at least one facsimile machine both to transfer electronic funds data among buyers and sellers and an authorizing institution and to print transaction records. Each buyer and seller is provided with an identification module which may be in the form of card of a mechanical key containing integrated circuit chip that is inserted into the receptacle provided in the facsimile machine. Each module stores data corresponding to an account number, transaction summaries, an account balance, signature and other pertinent information.

Benton however does not at least teach or suggest a method comprising:  
  
creating a matrix unique to a single transaction based on a first set of sample data from the buyer and a second set of sample data from the seller; Selecting two digits from a combination of the buyers account number and the sellers account number based on a random number generated from the transaction time such that the first digit is stored as the x value and the second digit as the y value; Scrambling the matrix based on the stored x and y values; and Selecting at least one row of data from the buyer and the seller; and Sending both the buyers and the sellers row to an administrator when the buyers row matches the sellers row as recited in the independent claims of the present application.

Moreover, the missing claimed elements from Benton are not found in a reasonable number of reference(s). Yet even if the missing claimed elements were found in a reasonable number of references, a person of ordinary skill in the art at the time the invention was made would not have been motivated to include these missing elements in an embodiment in the Benton's disclosure because: such would have changed the basic working principles and the operation of Benton which is silent on creating a matrix unique to a single transaction based on a first set of sample data from the buyer and a second set of sample data from the seller; Selecting two digits from a combination of the buyers account number and the sellers account number based on a random number generated from the transaction time such that the first digit is stored as the x value and the second digit as the y value; Scrambling the matrix based on the stored x and y values; and Selecting at least one row of data from the buyer and the

seller; and Sending both the buyers and the sellers row to an administrator when the buyers row matches the sellers row.

9. Any comments considered necessary by applicant must be submitted no later than the payment of the issue fee and, to avoid processing delays, should preferably accompany the issue fee. Such submissions should be clearly labeled "Comments on Statement of Reasons for Allowance."

### **Conclusion**

10. The prior arts made of record and not relied upon is considered pertinent to applicants disclosure.

- Franklin et al (U.S. Patent No. 6,000,832) discloses Electronic online commerce card with customer generated transaction proxy number for on line transactions.
- Bush et al (U.S. Patent No. 5,130,519) discloses Portable Pin card.
- Appleton (U.S. Patent No. 4,016,404) discloses Credit Card Verifier.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Charles C. Agwumezie whose number is **(571) 272-6838**. The examiner can normally be reached on Monday – Friday 8:00 am – 5:00 pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, **Andrew Fischer** can be reached on **(571) 272 – 6779**.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Charlie C Agwumezie/  
Examiner, Art Unit 3621  
January 30, 2008

/ANDREW J. FISCHER/  
Supervisory Patent Examiner, Art Unit 3621